

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Thriftway Company

3. ADDRESS OF OPERATOR

Post Office Box 1367, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface

2040' FSL & 1987' FEL of Section 24 NW 5E 1/4

At proposed prod. zone

approximately same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8.6 miles Northerly from Cisco, UT

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

480.87

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

2900' ± Enrtrada

20. ROTARY OR CABLE TOOLS

rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4626 GR

22. APPROX. DATE WORK WILL START*

as soon as permitted

23. (slim hole) PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
7 7/8"	5 1/2"	14#	200'	circulate cement to surface
4 3/4"	2 7/8" tubing	6.4#	2900'	200 sx cement

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" Ten-Point Compliance Program
- "C" The Blowout Preventer Diagram
- "D" Multi-Point Requirements for APD
- "E" Route & Distance Road Map
- "F" Access Road and Radius Map of Wells in Area
- "G" Drill Pad Layout, Contours, and Cut-Fill Section
- "H" Drill Rig Layout
- "I" Production Facility Layout

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 5/18/81

BY: [Signature]

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Pete Stailey

TITLE Production Manager
DIVISION OIL, GAS & MINING

DATE 2-11-81

(This space for Federal or State office use)

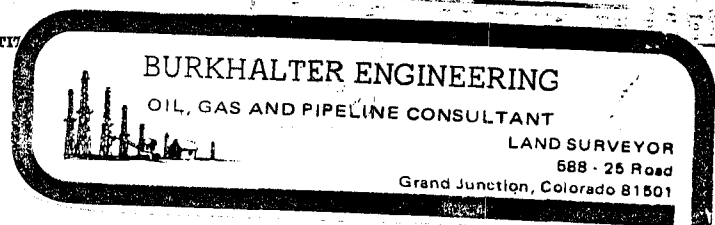
PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TIV



**** FILE NOTATIONS ****

DATE: May 11, 1981
OPERATOR: Shiftway Company
WELL NO: Clayton #1

Location: Sec. 24 T. 20S R. 23E County: Grand

File Prepared: ☒

Entered on N.I.D: ☐

Card Indexed: ☒

Completion Sheet: ☒

API Number 43-019-30800

CHECKED BY:

Petroleum Engineer: _____

Director: OK as per order in Cause 102-16B

Administrative Aide: as per 102-16B; OK on landrys: + lease ownership; OK on oil & gas wells:

APPROVAL LETTER:

Bond Required: ☐

Survey Plat Required: ☐

Order No. 102-16B, 9-26-79

O.K. Rule C-3 ☐

Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site ☐

Lease Designation ☒

Plotted on Map ☐

Approval Letter Written ☒

Hot Line ☒

P.I. ☒

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Thriftyway Company

3. ADDRESS OF OPERATOR

Post Office Box 1367, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

2040' FSL & 1987' FEL of Section 24

At proposed prod. zone

approximately same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8.6 miles Northerly from Cisco, UT

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

480.87

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

2900' ±

20. ROTARY OR CABLE TOOLS

rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4626 GR

22. APPROX. DATE WORK WILL START*

as soon as permitted

23. (slim hole) PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
7 7/8"	5 1/2"	14#	200'	circulate cement to surface
4 3/4"	2 7/8" tubing	6.4#	2900'	200 sx cement

EXHIBITS ATTACHED:

- "A" Location and Elevation Plat
- "B" Ten-Point Compliance Program
- "C" The Blowout Preventer Diagram
- "D" Multi-Point Requirements for APD
- "E" Route & Distance Road Map
- "F" Access Road and Radius Map of Wells in Area
- "G" Drill Pad Layout, Contours, and Cut-Fill Section
- "H" Drill Rig Layout
- "I" Production Facility Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Pete Staley

TITLE Production Manager

DATE 2-11-81

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

(Orig. Sgd.) A. M. RAFFOUL

FOR

E. W. GYNN
DISTRICT ENGINEER

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

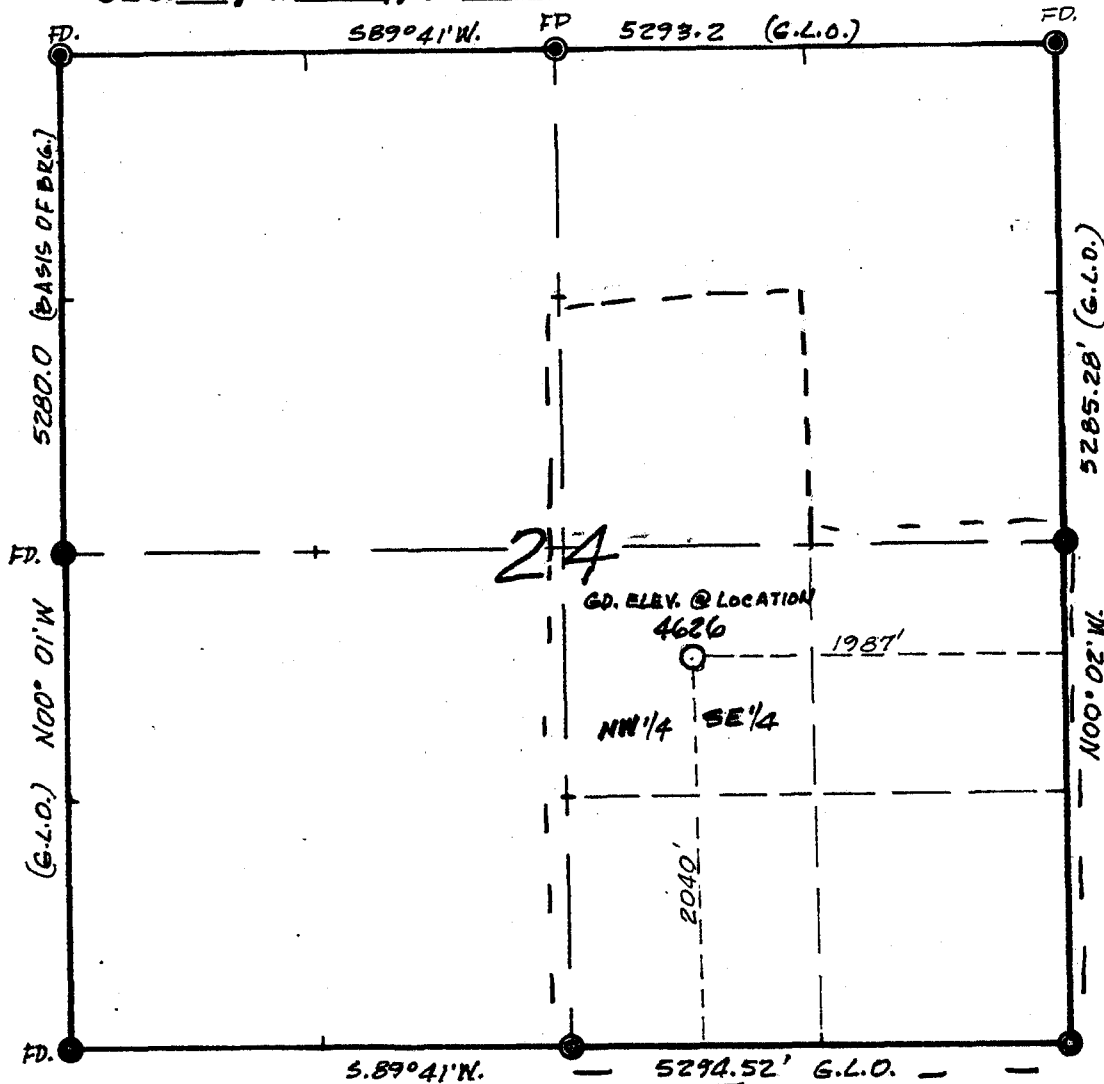
NOTICE OF APPROVAL

of State Oil & Gas

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
DATED 1/1/80

SEC. 24, T. 20S., R. 23E. OF THE S.L. P.M.

EXHIBIT 'A'



SCALE

0 1000'

LEGEND

- STANDARD LOCATION OF GLO CORNERS.
- GLO CORNERS FOUND.
- WELL LOCATION STAKED.

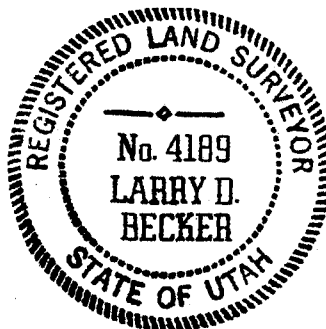
REFERENCE DOCUMENTS

1925 GLO PLAT

DANISH FLAT, UTAH

QUADRANGLE, USGS

THIS WELL LOCATION PLAT WAS PREPARED FOR THRIFTWAY CO.
 AS REQUESTED BY BURKHALTER ENGINEERING, TO LOCATE THE
CLAYTON #1, 2040' F.S.L. & 1987' F.E.L.,
 IN THE NW 1/4 SE 1/4, OF SECTION 24, T. 20S., R. 23E. OF THE S.L. P.M.
GRAND COUNTY, UTAH.



SURVEYOR'S CERTIFICATE

I, LARRY D. BECKER A REGISTERED LAND SURVEYOR
 IN THE STATE OF UTAH DO HEREBY CERTIFY THAT THIS
 SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND
 THAT THIS PLAT REPRESENTS SAID SURVEY.

Larry D. Becker
 L.S. NO. 4189

SURVEYED	4/9/81	L.D.B.	ENERGY SURVEYS & ENGINEERING CORP	1156 BOOKCLIFF AVE. NO 4	SCALE 1" = 1000'
DRAWN	4/14/81	L.D.B.		GRAND JUNCTION, CO. 81501	JOB NO. 4-01581
CHECKED	4/15/81	SKB.		505 248-7221	SHEET 1 OF 3

EXHIBIT "B"

TEN-POINT COMPLIANCE PROGRAM OF NTL-6

APPROVAL OF OPERATIONS

THRIFTWAY COMPANY

Clayton #1

NW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 24, T20S, R23E, SLM

Grand County, Utah

1. Geologic Surface Formation

The surface formation is Mancos.

2. Important Geologic Markers

<u>Formation</u>	<u>Depth of Tops</u>
Dakota	2080
Morrison	2280
Salt Wash	2585
Entrada	2850
TD	2900

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

<u>Formation</u>	<u>Depth</u>	<u>Fluids</u>
Salt Wash	26900	Gas and/or Oil and/or Water

4. Proposed Casing Program

Surface Casing:

- (a) Drill 7 7/8" hole to 200' and set 5 1/2" 14-lb. cemented to surface.
- (b) Drill 4 3/4" hole to 2850' and set 2 7/8" 6.4-lb. with 200 sx cement.

5. Operator's Minimum Specifications for Pressure Control

Exhibit "C" is a schematic diagram of the blowout preventer equipment planned for use in this well. The BOP's will be hydraulically tested to 1000 psi after nipping up and after any use under pressure. Pipe rams will be operationally checked each trip. All tests will be recorded in the daily drilling report. Accessories to BOP's include Kelly Cock, safety valve, drill string BOP and choke with pressure rating equivalent to the BOP stack.

6. Type of Characteristics of Proposed Muds

The well will be drilled with air and air mist; 200 barrels of 8.5 to 9# mud will be mixed up for use in case it is needed to kill well or logging operations.

7. Auxiliary Equipment to be Used

- (a) Kelly Cock will be kept in the string at all times.
- (b) A full opening stabbing valve will be on the floor for use, when the Kelly is not in the string.
- (c) A float will be run at the bit.
- (d) Monitoring equipment will be installed and used on the mud system.

8. The Testing, Logging and Coring Programs

- (a) Drill stem tests are not planned at this time.
- (b) The logging program will consist of Induction Electric & Compensated Nuclear Density.
- (c) No coring is planned.
- (d) Drilling samples will be caught at 30' intervals BSC to 2000'; from 2000' to TD samples at 10' intervals.

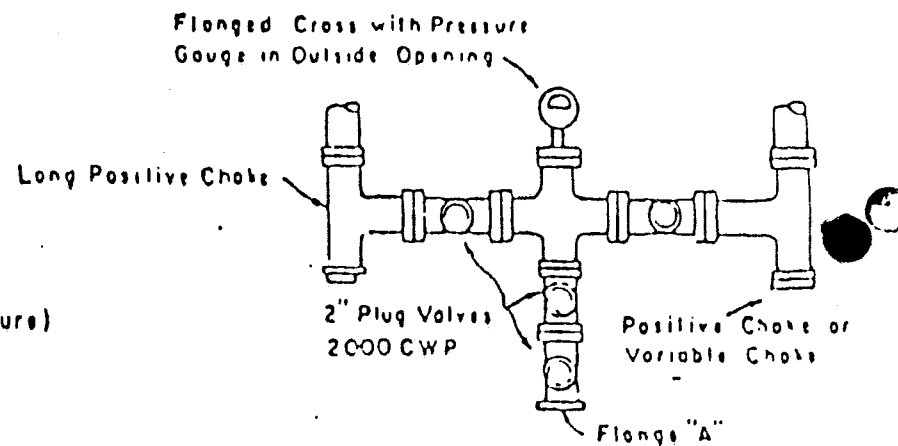
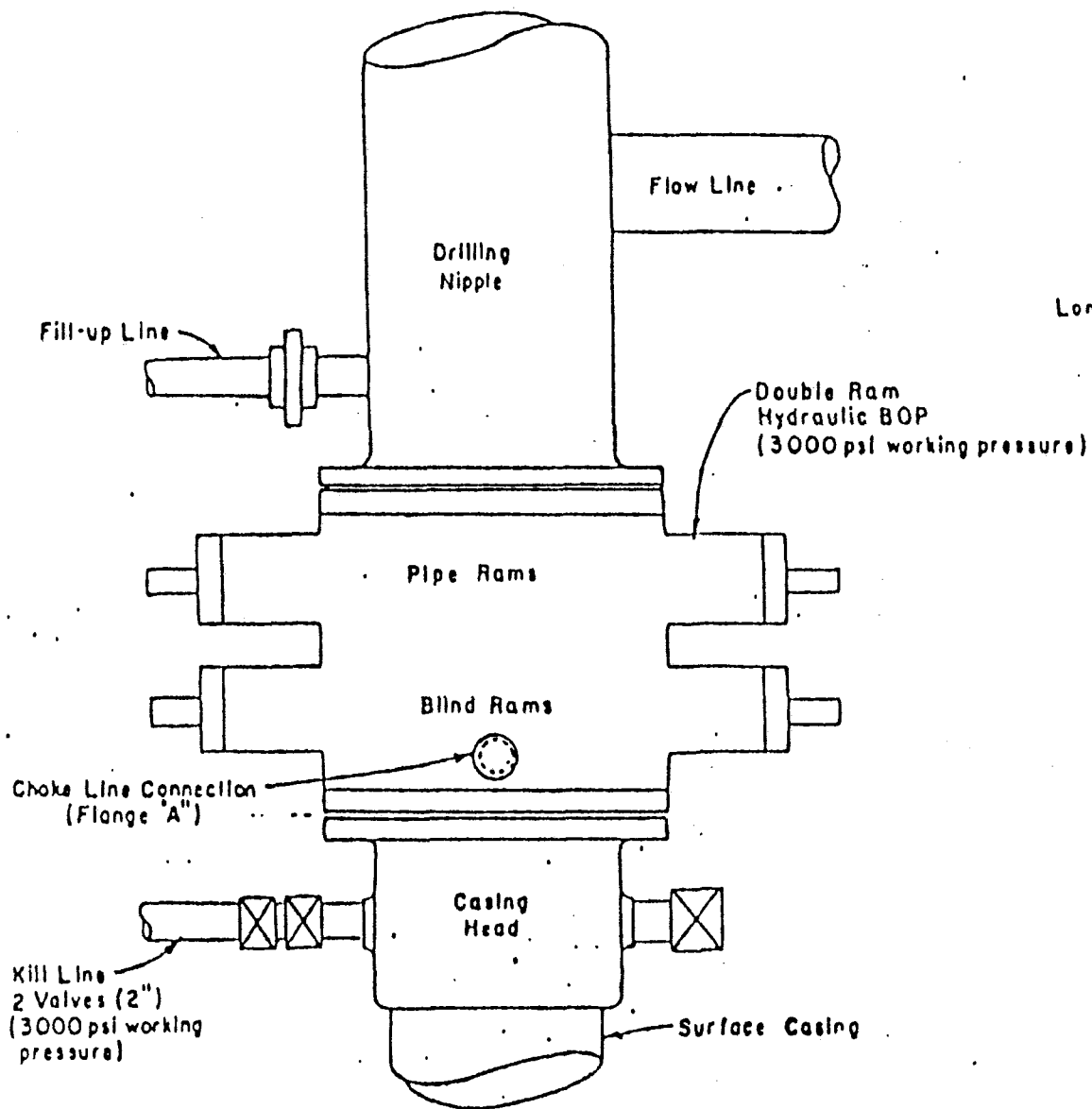
9. Any Anticipated Abnormal Pressures or Temperatures Expected

No abnormal gas pressures or temperatures are expected. No hydrogen sulfide or other hazardous gasses or fluids have been reported in the area.

10. Anticipated Starting Date and Duration of Operations

The anticipated starting date is in May 1981, or as soon as possible after approval of all drilling requirements.

Drilling operations should be completed 7 to 10 days after spudding.



PLAN VIEW-CHOKE MANIFOLD

EXHIBIT "D"

MULTI-POINT REQUIREMENTS TO ACCOMPANY APD

THRIFTWAY COMPANY

Clayton #1

NW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec 24, T20S, R23E, SLM

Grand County, Utah

1. Existing Roads

- A. Exhibit "A" is the proposed well site as staked by Energy Surveys & Engineering Corp., with 200' reference points North and South, and the ground elevation is shown thereon.
- B. Exhibit "E" is the route and distance road map. The location is a total of 8.6 road miles Northerly from Cisco, Utah. To reach the location travel Northeasterly from Cisco 5.4 miles on old U.S. Highway 6 & 24; turn left and go under Interstate 70 and go 0.1 mile; turn left (near the end of the blacktop) at a "T" intersection onto 50' Grand County gravelled road and go Westerly and Northwesterly 1.9 miles to another "T" intersection; turn left onto 18' bladed dirt road and go Southwesterly and Northwesterly 1.0 mile to the beginning of the proposed access road to be constructed; continue on 0.2 mile Northerly to the location.
- C. Exhibit "F" is a print of a portion of the Danish Flat, Utah, Quadrangle and shows the access road into the location. The green color shows the existing road. The red color indicates new road construction required to reach the location.
- D. All known existing roads appear on Exhibits "E" and "F".
- E. This is considered a Development Well.
- F. The roads up to the proposed access road to be constructed have been designed to carry truck traffic. These roads are continually used for the purposes we propose. The last 1.0 mile of bladed dirt roadway should be reshaped to repair some winter damage.

2. Planned Access Roads

The 0.2 mile of new 14' access road will need to be constructed, using native material. One 15" culvert will be installed in a minor drainage.

- (1) The typical section of the proposed access road will be 14' in width.
- (2) Maximum grade will be 5% or less.
- (3) No turnouts are planned.

- (4) One 15" culvert will be required on the new access road.
- (5) The culvert will be located as shown on Exhibit "F", with size shown.
- (6) Surface material will be that native to the area.
- (7) No gates or cattleguards are required.
- (8) The proposed access road was flagged at the time the location was staked.

3. Location of Existing Wells

The Clayton #1 is considered a Development Well. For all existing wells within a one-mile radius of the Clayton #1, see Exhibit "F".

- (1) There are no water wells.
- (2) Abandoned wells - see Exhibit "F".
- (3) There are no temporarily abandoned wells.
- (4) There are no disposal wells.
- (5) There are no drilling wells.
- (6) Producing wells - see Exhibit "F".
- (7) There are no shut-in wells.
- (8) There are no injection wells.
- (9) There are no monitoring or observation wells for other resources.

4. Location of Existing and/or Proposed Facilities

A. Within a one-mile radius of this location are the following existing facilities (none are owned or controlled by lessee/operator):

- (1) There are no tank batteries.
- (2) Production facilities - see Exhibit "F".
- (3) There are no oil gathering lines.
- (4) There are gas gathering lines in the W 1/2 of Section 24, carrying gas to the North.
- (5) There are no injection lines.
- (6) There are no disposal lines.

- B. (1) Exhibit "I" shows all anticipated production facilities.
- (2) The dimensions of production facilities shown on Exhibit "I" are drawn to a scale of 1" = 40'.
- (3) The only construction materials needed from outside the location would be gravel for a pad under separator and/or dehydrator unit. Gravel would be trucked into the location over the access road by the dirt contractor from the nearest commercial pit in the Cisco area.
- (4) If a small pit is required, it will be fenced and flagged.

C. Rehabilitation, whether the well is productive or not, will be made on unused areas as soon as practical in accordance with the restoration plans presented in Item 10 following.

5. Location and Type of Water Supply

- A. Water will be trucked from Cisco Springs, 6.4 road miles Northwest of the location, in the SW $\frac{1}{4}$ of Section 4, T20S, R23E.
- B. Water will be trucked over existing roads by oilfield water trucks.
- C. No water well is planned.

6. Source of Construction Materials

A., B., C., D.

No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from local gravel pit in the Cisco area. No special access other than for the drilling operation is needed.

7. Methods for Handling Waste Disposal

- (1) Drill cuttings will be buried in the reserve pit when covered.
- (2) Drilling fluids will be contained in steel mud pits and the reserve pit. These fluids will be disposed of in the reserve pit.
- (3) Any hydrocarbon liquids produced while drill stem testing or production testing will be collected in a test tank set near the pipe baskets or near the wellhead. Any unavoidable spills of oil or other adverse substances or materials will be covered or removed immediately during drilling progress or during completion operations.
- (4) Chemical facilities will be provided for human waste.
- (5) Garbage and trash will be collected in a fenced and covered pit and burned and then buried.
- (6) The reserve pits will be fenced or covered as soon as practical upon removal of the rig. Other pits will be covered as soon as possible after removal of the rig.

8. Ancillary Facilities

No air strips, camps or other living facilities will be built off the location. The normal trailers will be on the location as seen on Exhibit "H".

9. Well Site Layout

- (1) Exhibit "G" is the drill pad layout as staked by Energy Surveys & Engineering Corp. Elevation contours have been drawn on the plat. The cut-fill cross-sections have been drawn from these contours. Topsoil will be stockpiled to specifications determined at the pre-drill inspection.
- (2) (3) The mud tanks, reserve, burn and trash pits, pipe racks, living facilities, and soil material stockpiles, rig orientation, parking areas and access road are all shown on Exhibit "H".
- (4) The reserve pits will not be lined. Steel mud tanks will be used, and are shown on Exhibit "H". If water is produced in production, an NTL-2b study will be initiated.

10. Plans for Restoration

- (1) Backfilling, leveling, and recontouring will be accomplished as soon as possible after plugging of the well, and on those unused areas if production is obtained. Waste disposal and spoils materials will be buried or hauled away.
- (2) Rehabilitation will be accomplished by recontouring as best practical back to blend with original contours. The stockpiled topsoil will be spread, along with ripping of the pad and road area (if so desired by surface owner). Revegetation will be accomplished using grasses chosen by B.L.M.
- (3) Three sides of the reserve pit will be fenced during drilling operations. Upon rig release, the reserve pit will be fenced on the fourth side and will remain until recontouring and cleanup operations are completed.
- (4) Any oil spills will be immediately reported, cleaned up, or flagged.
- (5) Rehabilitation operations will commence as soon as practical after rig moves off location. Earth work and seeding will be done during the Fall of 1981, if possible.

11. Other Information

As shown on Exhibit "F" the topography of the vicinity of the location is of a rolling nature due to erosion gulches flowing Southeasterly to the Colorado River. The abandoned D&RGW Railroad bed which is now a road lies 0.5 mile Southeasterly of the location, and Interstate 70 is 2 miles Southeasterly. Danish Wash drains Southeasterly 0.7 mile Easterly of the location. Mancos is the surface formation and is typical of gentle slopes and erosion gulches. Drainage from the location flows Easterly to the Danish Wash.

The soil is light brown fine soil with polished rocks on the surface.

The vegetation in the immediate area surrounding the location is prickly pear cactus, Matt Saltbrush, cheat grass, greasewood, shadscale.

The fauna of the area consists of cattle, sheep, antelope, rabbits, lizards, ravens, meadow larks, killdeer, ground sparrows and martens.

The surface ownership is B.L.M. The surface use is grazing, petroleum production, and recreation.

The nearest live water is Cisco Wash, 6.4 road miles Westerly of the location, in the SW $\frac{1}{4}$ of Section 4, T20S, R23E.

The nearest occupied dwelling is in Cisco, Utah, 5.0 miles Southerly of the location, as shown on Exhibit "E".

There are no visible archaeological, historical, or cultural sites within any reasonable proximity to the proposed location site.

There are no reported restrictions or reservations noted on the oil and gas lease.

12. Lessee's or Operator's Representative

Pete Staley, Production Manager
Thriftway Company
P.O. Box 1367
Farmington, New Mexico 87401
Telephone 505/325-1278

Mr. J. N. Burkhalter
588 25 Road
Grand Junction, Colorado 81501
Telephone 303/242-8555

13. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Thriftway Company and its contractors and subcontractors in conformity with this plan and terms and conditions under which it is approved.

4-20-81
Date

J. N. Burkhalter
Name and Title

EXHIBIT 'G'
 THRIFTWAY CO. LOCATION
 JERRY CLAYTON #1
 NW 1/4 SE 1/4, SEC. 24, T. 20S., R. 23E.
 GRAND COUNTY, UTAH

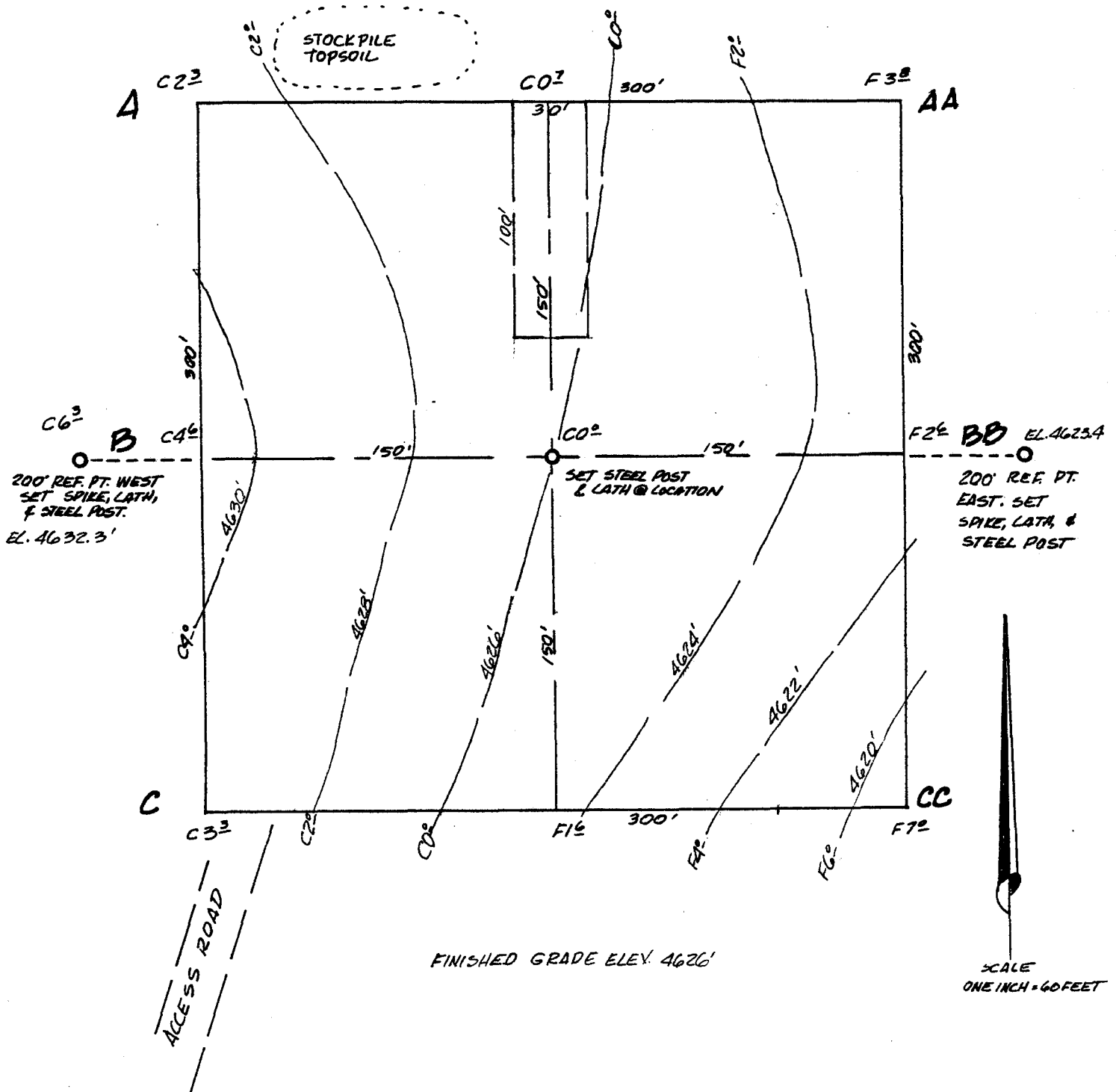
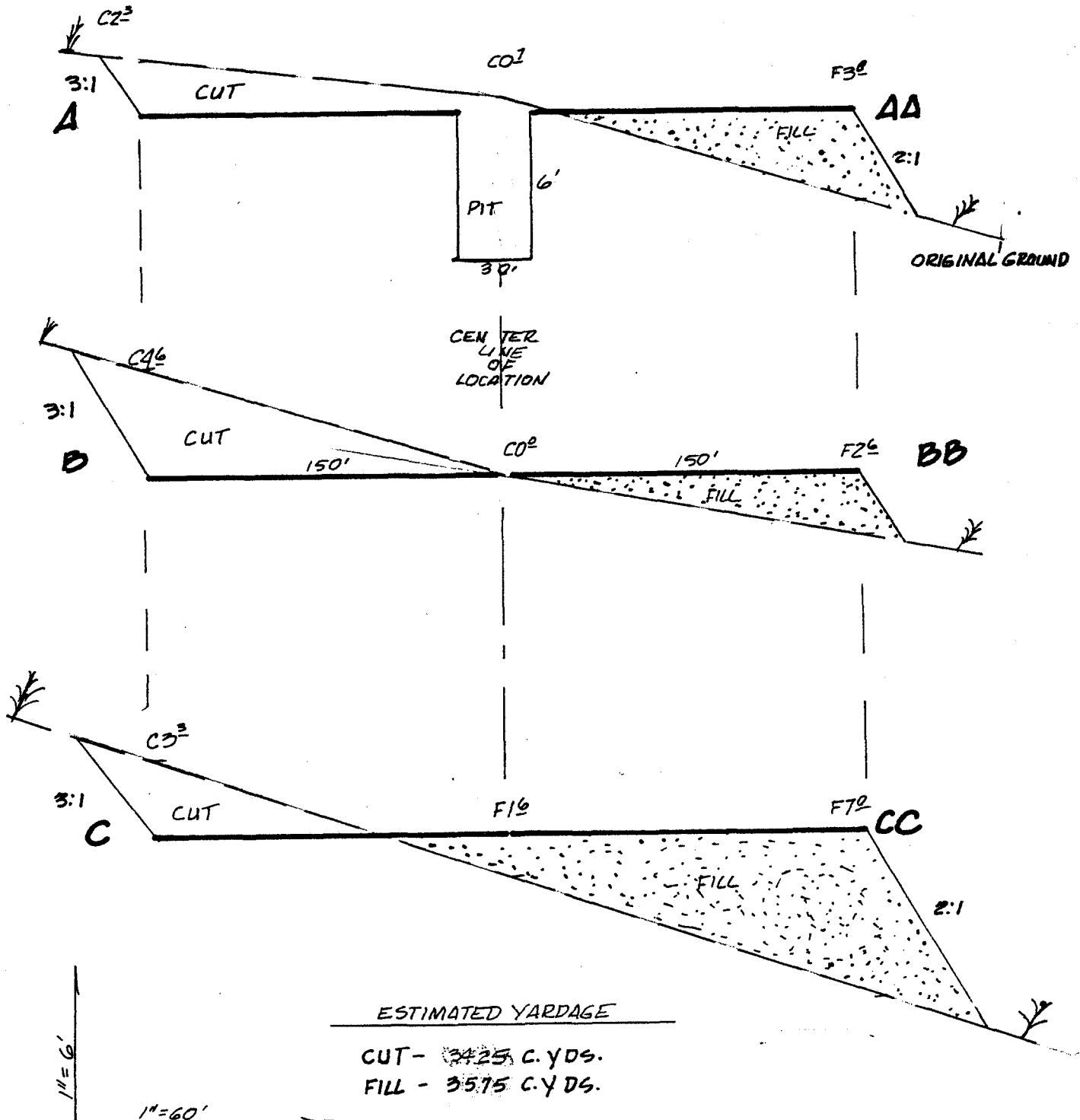


EXHIBIT 6,
THRIFTWAY CO. LOCATION
JERRY CLAYTON #1

CROSS-SECTIONS



ESTIMATED YARDAGE

CUT - 3425 C.YDS.
FILL - 3575 C.YDS.

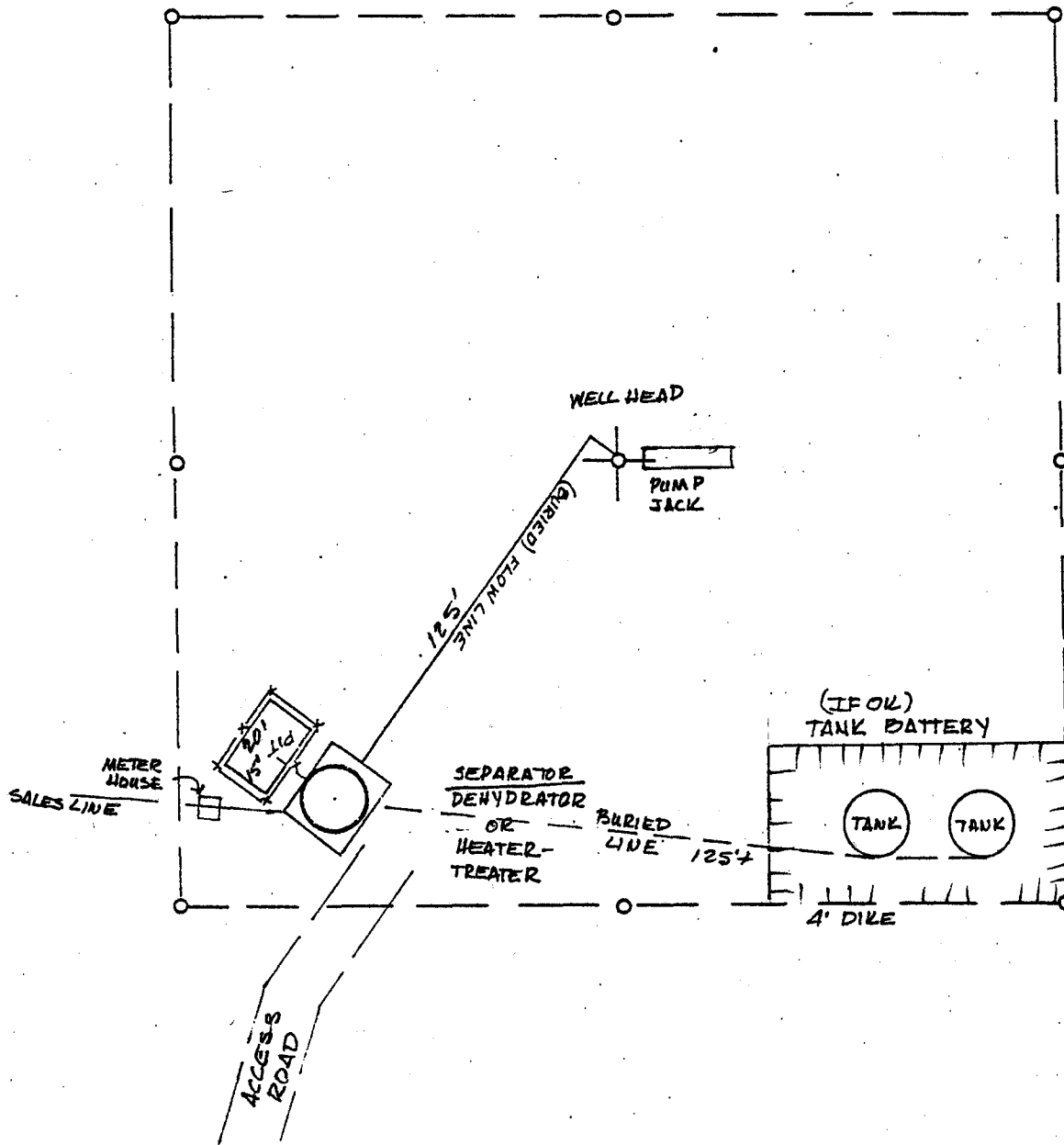
CLAYTON #1 FEDERAL

ENERGY SURVEYS & ENGINEERING CORP.

ACCESS
ROAD



EXHIBIT I
PRODUCTION FACILITIES LAYOUT
CLAYTON #1



United States Department of the Interior
Geological Survey
Oil and Gas Operations
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

NEPA CATEGORICAL EXCLUSION REVIEW

PROJECT IDENTIFICATIONOperator/Project Name Thriftway Clayton #1Project Type Wildcat Gas/Oil TestProject Location 2040' FSL, 1987' FEL, Sec. 24, T20S, R23E, Grand
County, UtahDate Project Submitted April 22, 1981FIELD INSPECTIONDate May 7, 1981Field Inspection
ParticipantsLarry Becker, Gordon Howard-Operator representativePete Christensen, Elmer Duncan, Mical Walker-BLMGlenn Doyle - USGS

I have reviewed the proposal in accordance with the categorical exclusion review guidelines. This proposal would not involve any significant effects and, therefore, does not represent an exception to the categorical exclusions.

May 12, 1981
Date Prepared

Howard A. Zeman
for Glenn Doyle
Environmental Scientist

I concur

May 18, 1981
Date

E. W. Long
District Supervisor

CATEGORICAL EXCLUSION REVIEW INFORMATION SOURCE

Criteria 516 DM 2.3.A	Federal/State Agency			Local and private correspondence (date)	Previous NEPA	Other studies and reports	Staff expertise	Onsite inspection (date)	Other
	Correspondence (date)	Phone check (date)	Meeting (date)						
Public health and safety					1, 2			5/7/81	
Unique characteristics					1, 2				
Environmentally controversial					1, 2				
Uncertain and unknown risks						4			
Establishes precedents					1, 2				
Cumulatively significant					1, 2		6		
National Register historic places	1-5/18/81								
Endangered/ threatened species	1-5/18/81								
Violate Federal, State, local, tribal law						4			3

Site-specific stipulations attached.

Thriftway Clayton #1

SITE-SPECIFIC STIPULATIONS

- 1) Dirt construction will be limited to the level area beneath the rig and the pits. No other location disturbance is permitted.
- 2) Fence the reserve pit on three sides prior to drilling and close off the fourth side once the rig moves off.
- 3) Rotate the location 90° clockwise to reduce cuts and fills.
- 4) Alter the location dimensions to 150' X 250'.

COMMON REFERENCE LIST

NEPA Categorical Exclusion Review

1. SMA Input
2. Reviews, reports, or information received from Geological Survey (CD, GD, WRD, TD).
3. Lease Stipulations/Terms
4. Application to Drill
5. Operator correspondence
6. Field observation
7. Private Rehabilitation Agreement

RECLAMATION PROCEDURES IN GRAND RESOURCE AREA

1. Disk or rip pads and access roads.
 - a. Overlap passes in order to insure complete treatment.
2. Contour pads and access roads.
 - a. Lay berms into centers.
 - b. Use cut material for fill areas.
 - c. Lay stockpiled surface soil over top of pads and spread evenly.
 - d. On highly erosive soils, it may be more beneficial to grade slopes to reduce steepness.
 - e. Do not smooth pads out, leave a roughened surface. On steeper slopes and slopes with clayey soils scarify or serrate the ground in order to increase water infiltration and reduce erosion.
3. Water bar roads where required by this office.

* 2 percent	Grade	-	200 ft. intervals
2-4 percent	Grade	-	100 ft. intervals
4-5 percent	Grade	-	75 ft. intervals
5 percent	Grade	-	50 ft. intervals

* Actual spacing may vary according to soil stability. Lighter textured soils will require more frequent water bars. When natural drainage ways are present, water bars are to be constructed to make maximum use of them. Plan operations so that natural drainage ways do not become blocked.
4. Seed roads and pads in the fall (Oct. through mid-Dec.).

SEED MIXTURE

SPECIES

LBS/ACRE

Grasses

Rate

Hilaria jamesii
Oryzopsis hymenoides

Curley grass
Indian rice grass

1
1

Forbs

Sphaeralcea coccinin

Globemallow

1

Browse

Atriplex comfertifolia
Certoides lanata
Atriplex nuttellii

Shadscale
Winterfat
Nuttal saltbush

1
1
1
6



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

SUGGESTED COLORS TO PAINT OIL & GAS PRODUCTION FACILITIES

Cisco Desert and Flats below the Bookcliffs:

Dynasty Green	(Sears)
Tumbleweed	(Pratt & Lambert)
Desert Tan	-----
Sage Gray	(Pratt & Lambert)

Bookcliffs Region:

Sage Gray	(Pratt & Lambert)
Sea Life	(Pratt & Lambert)
Dynasty Green	(Sears)

Similar hues other than the ones mentioned above must be approved by the Grand Resource Area Manager.

FROM: : DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH

TO : DISTRICT ENGINEER, O&G, SALT LAKE CITY, UTAH

SUBJECT: APD MINERAL EVALUATION REPORT

LEASE NO. U-15049OPERATOR: ThriftwayWELL NO. Clayton #1LOCATION: C. NW 1/4 SE 1/4 sec. 24, T. 20S., R. 23E., SLMGrand County, Utah

1. Stratigraphy: Operator tops seem to be 1000' too deep

Mancos	surface
Dakota	~ 1080'
Morrison	~ 1250'
Salt Wash	~ 2585'
Entrada	~ 1850'
<u>TD</u>	<u>2900'</u>

U.S.G.S. estimates

If correct, operator will
TD into Chinle or deeper
rocks.

2. Fresh Water:

Fresh water may be present in the Dakota & Entrada.

3. Leasable Minerals:

Oil / Gas: Salt Wash, Entrada

4. Additional Logs Needed: Adequate5. Potential Geologic Hazards: None expected

6. References and Remarks:

Signature: Gregory W. WoodDate: 4-30-81



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District
Grand Resource Area
P. O. Box M
Moab, Utah 84532

IN REPLY REFER TO

3109
(U-068)

APR 2 1981


Mr. Larry Becker
Burkhalter Engineering
588 - 25 Road
Grand Junction, CO. 81501

Subject: Staking Request (PER): U-15049
Well: Jerry Clayton #1
Section 24, T. 20 S., R. 23 E.
Grand County, Ut.

Dear Mr. Becker:

This office has no objections to staking the above subject location. Would you include your bond number when submitting your application to drill. In addition you should be knowledgeable that Grand County requires a permit if you plan to use a county road as a portion of your access road. You should contact the County Road Supervisor.

Sincerely yours,


Colin P. Christensen
Area Manager

cc:
Grand County Road Supervisor

DESIGNATION OF OPERATOR

Clayton #1

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Salt Lake City, Utah
SERIAL No.: U-15049

and hereby designates

NAME: Thriftway Co.
ADDRESS: Post Office Box 1367
Farmington, New Mexico 87401

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

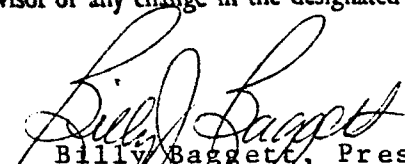
Grand County, Utah
T. 20S, R 23E, SLMER
Sec. 12, N $\frac{1}{2}$, W $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 24, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$
T20S, R 24E, SLMER
Sec. 6, Lots 4,5
(480.87 acres)

Note: This document supersedes any previous designation of operator document submitted.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.


Billy Baggett, President
ARI-MEX Oil & Exploration, Inc.
(Signature of lessee)

Aug 1, 1980
(Date)

P.O. Box 249, Moab, Utah 84532
(Address)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P.O. Box M
Moab, Utah 84532

IN REPLY REFER TO

3109
(U-068)

MAY 19 1981

Memorandum

To: Oil & Gas Office, USGS Conservation Division
P.O. Box 3768, Grand Jct., CO 81502

From: Area Manager, Grand

Subject: Thriftway Company
Fed. Clayton #1, Lease U-15049
NW/SE Section 24, T. 20 S., R. 23 E., SLM
Grand County, Utah

On May 7, 1981 a representative from this office met with Glenn Doyle, USGS, and Larry D. Becker, agent of the Thriftway Company for an inspection of the above referenced location. Subject to the attached conditions and a written approval from USGS, I am approving the surface management portion of the Application for Permit to Drill.

The archaeological requirement has been fulfilled on this location. No threatened or endangered flora or fauna are indicated in the area.

Please forward the enclosed information to Thriftway Company.

Enclosures: (3)
1-Reclamation Procedures
2-Seed Mixture
3-Suggested Colors for Production Facilities

STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

Contact this office at least 48 hours prior to beginning construction of access road and pad.

Stockpile the surface twelve inches of topsoil in a wind-row on the north east quadrant of the location.

The upper banks (uphill side) of all cuts will be rounded during construction of the access road and pad.

Notify the BLM District Archaeologist if cultural material from sub-surface deposits is exposed during the operation.

The trash cage will be at the location and fenced with fine mesh wire during drilling operations.

The "blooey" line will be centered and directed into the pit.

If production is obtained, the access road will be upgraded to BLM specifications for long-term roads as outlined in the surface use standards section of the "Oil and Gas" pamphlet (joint BLM, USGS and USFS publication).

If production is obtained, all production facilities will be painted. See enclosed suggested colors for production facilities.

Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.

Production facilities and pipeline route are approved on this location under lease rights.

As agreed upon at the Pre-drill field examination.

Access

1. Surface disturbance will be kept to a minimum on the 0.2 miles of new access road, in SE $\frac{1}{4}$ Section 24, T. 20 S., R. 23 E. SLB&M. Maximum disturbed road width will be 14 feet and constructed by dropping the cat blade and dragging it for the 0.2 miles. Any excess soils and vegetation removed from the surface will be wind-rowed along the east side of the road.

Location

1. The well layout will be rotated clockwise 90 degrees to put the pit on the east side of the pad.
2. The total disturbed pad area will be 150 feet wide by 250 feet long.
3. The east dike of the pit(s) along the edge of the pad will be 1.5 feet - 2.0 feet higher than the other three sides of the pit(s). The three pit sides on the pad will be level with the surrounding pad.

4. Only chemical toilets and portable trash cages will be used on location during the well drilling.
5. Three sides of the pit(s) will be fenced prior to drilling, the fourth side will be fenced prior to rig removal. Forty-eight inch woven wire will be used with one-two strands of barbed wire along the top for support.

Restoration

Producer

1. Disturbed pad area not needed for production will be recontoured within 30 days after rig is moved away. Area will be contoured, topsoil replaced and ripped. Seeding will be in the fall of the year.
2. Access will be upgraded to BLM standards and in accord with the yellow USGS, BLM, USFS, surface operating producer pamphlet.

Non-Producer

1. Pad and access will be contoured, topsoil replaced, ripped in 30 day after drilling rig is moved. Area and pad will be restored to BLM standards yellow book, road closed and seeded in the fall.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District
Grand Resource Area
P. O. Box M
Moab, Utah 84532

IN REPLY REFER TO

3109
(U-068)

APR 2 1981


Mr. Larry Becker
Burkhalter Engineering
588 - 25 Road
Grand Junction, CO. 81501

Subject: Staking Request (PER): U-15049
Well: Jerry Clayton #1
Section 24, T. 20 S., R. 23 E.
Grand County, Ut.

Dear Mr. Becker:

This office has no objections to staking the above subject location. Would you include your bond number when submitting your application to drill. In addition you should be knowledgeable that Grand County requires a permit if you plan to use a county road as a portion of your access road. You should contact the County Road Supervisor.

Sincerely yours,


Colin P. Christensen
Area Manager

cc:
Grand County Road Supervisor

DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Salt Lake City, Utah
SERIAL No.: U-15049

and hereby designates

NAME: Clayton Investment Company
ADDRESS: Post Office Box 1367
Farmington, NM 87401

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable): Grand County, Utah

T. 20 S., R. 23 E., SLMER
Sec. 12, N 1/2, W 1/2, SE 1/4, NW 1/4
Sec. 24, SW 1/4 NE 1/4, SE 1/4
T. 20 S., R. 23 E., SLMER
Sec. 6, Lots 4, 5
(480.87 acres)

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

Note: This document supersedes any previous designation of operator document submitted

THRIFTWAY COMPANY

By: J. S. Fark

ARI-MEX OIL & EXPLORATION, INC.

By: [Signature]

(Signature of lessee)

8-31-80

(Date)

P. O. Box 249, Moab, Utah 84532

(Address)

DESIGNATION OF OPERATOR

Clayton #1

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Salt Lake City, Utah
SERIAL No.: U-15049

and hereby designates

NAME: Thriftway Co.
ADDRESS: Post Office Box 1367
Farmington, New Mexico 87401

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable): Grand County, Utah

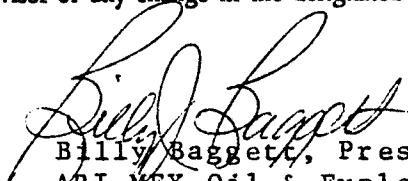
T. 20S, R 23E SLMER
Sec. 12, N $\frac{1}{2}$, W $\frac{1}{2}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 24, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$
T20S, R 24E, SLMER
Sec. 6, Lots 4,5
(480.87 acres)

Note: This document supersedes any previous designation of operator document submitted.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.


Billy Baggett, President
ARI-MEX Oil & Exploration, Inc.
(Signature of lessee)

Aug 1, 1980
(Date)

P.O. Box 249, Moab, Utah 84532
(Address)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 42-R1599

Serial No. U-15049

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE
PART I

LAND OFFICE USE ONLY
New Serial No.

ARI-MEX Oil & Exploration, Inc.
P.O. Box 1228
Long Beach, California 90801

RECEIVED

JUL 20 1972

The undersigned, as owner of 100 percent of record title of the above-designated oil and gas lease issued effective (date) June 1, 1971, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment (43 CFR 3101.2-3)

T. 20 S., R. 23 E., SLM, Grand County, Utah
Sec: 12: N¹/₂, SE¹/₄;
~~Sec: 24: SW¹/₄, SE¹/₄~~

T. 20 S., R. 24 E., SLM
Sec. 6: Lots 4, 5.

Containing 480.87 Acres

3. What part of assignor(s) record title interest is being conveyed to assignee? (Give percentage or share) 100%

4. What part of the record title interest is being retained by assignor(s)? None

- 5a. What overriding royalty or production payments is the assignor reserving herein? (See Item 4 of General Instructions; specify percentage.) None
- b. What overriding royalties or production payments, if any, were previously reserved or conveyed? (Percentage only) None

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 27 day of June, 1972

W. H. Anderson
(Assignor's Signature)

P.O. Box 281
(Assignor's Address)

Mary T. Anderson
/ wife of assignor

Salt Lake City, Utah 84110
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

Assignment approved effective AUG 1 1972

By [Signature]
(Authorized Officer)

Acting
Chief, Division of Technical Services

(Title) (Date)

JUL 18 1972

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over 21 years of age
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation
4. Assignee is the sole party in interest in this assignment (*information as to interests of other parties in this assignment must be furnished as prescribed in Specific Instructions*)
5. Filing fee of \$10 is attached (*see Item 2 of General Instructions*)
6. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options, or 246,080 chargeable acres in options and leases in the same state, or 300,000 chargeable acres in leases and options in each leasing district in Alaska.

B. ASSIGNEE AGREES to be bound by the terms and provisions of the lease described here, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 26 day of June, 1972

ARI-MEX Oil & Exploration, Inc.

By [Signature]

(Assignee's Signature)

P.O. Box 1128
Long Beach, California 90801

(Address, include zip code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

GENERAL INSTRUCTIONS

1. *Use of form* - Use only for assignment of record title interest in oil and gas leases. Do not use for assignments of working or royalty interests, operating agreements, or subleases. An assignment of record title may only cover lands in one lease. If more than one assignment is made out of a lease, file a separate instrument of transfer with each assignment.
2. *Filing and number of copies* - File three (3) completed and manually signed copies in appropriate land office. A \$10 nonrefundable filing fee must accompany assignment. File assignment within ninety (90) days after date of final execution.
3. *Effective date of assignment* - Assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers.
4. *Overriding royalties or payments out of production* - Describe in an accompanying statement any overriding

royalties or payments out of production created by assignment but not set out therein. If payments out of production are reserved by assignor, outline in detail the amount, method of payment, and other pertinent terms.

5. *Effect of Assignment* - Approval of assignment of a definitely described portion of the leased lands creates separate leases. Assignee, upon approval of assignment, becomes lessee of the Government as to the assigned interest and is responsible for complying with all lease terms and conditions, including timely payment of annual rental and maintenance of any required bond; except in the case of assignment of undivided interests, royalties, and operating agreements.

6. A copy of the executed lease, out of which this assignment is made, should be made available to assignee by assignor.

SPECIFIC INSTRUCTIONS

(Items not specified are self-explanatory)

PART I

Item 1 - Type or print plainly, in ink, between and below heavy dots, the assignee's full name and mailing address, including zip code.

PART II

A. Certification of assignee

3. If assignee is an association or partnership, assignee must furnish a certified copy of its articles of association or partnership, with a statement that (a) it is authorized to hold oil and gas leases; (b) that the person executing the assignment is authorized to act on behalf of the organization in such matters; and (c) names and addresses of members controlling more than 10% interest.

If assignee is a corporation, it must submit a statement containing the following information: (a) State in which it was incorporated; (b) that it is authorized to hold oil and gas leases; (c) that officer executing assignment is authorized to act on behalf of the corporation in such matters; and (d) percentage of voting stock and percentage of all stock owned by

aliens or those having addresses outside the United States. If 10 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate showing of his citizenship and holdings must be furnished.

If evidence of qualifications and ownership has previously been furnished as required by the above, reference by serial number of record in which it was filed together with a statement as to any amendments. Qualifications of assignee must be in full compliance with the regulations (43 CFR 3102).

4. *Statement of interests* - Assignee must indicate whether or not he is the sole party in interest in the assignment; if not, assignee must submit, at time assignment is filed, a signed statement giving the names of other interested parties. If there are other parties interested in the assignment, a separate statement must be signed by each and assignee giving the nature and extent of the interest of each, the nature of agreement between them, if oral; and a copy of agreement, if written. All interested parties must furnish evidence of their qualifications to hold such lease interests. Separate statements and written agreements, if any, must be filed no later than (15) days after filing assignment.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 42-R1599

Serial No. U-15049

ASSIGNMENT AFFECTING RECORD TITLE
TO OIL AND GAS LEASE
PART I

LAND OFFICE USE ONLY

New Serial No.

ARI-MEX Oil & Exploration, Inc.
P.O. Box 1228
Long Beach, California 90801

RECEIVED

JUL 20 1972

The undersigned, as owner of 100 percent of record title of the above-designated oil and gas lease issued effective (date) **June 1, 1971**, hereby transfers and assigns to the assignee shown above, the record title interest in and to such lease as specified below.

2. Describe the lands affected by this assignment (43 CFR 3101.2-3)

T. 20 S., R. 23 E., SLM, Grand County, Utah
Sec: 12: N¹/₂N¹/₂, SE¹/₂NW¹/₄;

~~SEC: 12: N¹/₂N¹/₂, SE¹/₂NW¹/₄;~~

T. 20 S., R. 24 E., SLM
Sec. 6: Lots 4, 5.

Containing 480.87 Acres

3. What part of assignor(s) record title interest is being conveyed to assignee? (Give percentage or share) **100%**

4. What part of the record title interest is being retained by assignor(s)? **None**

5a. What overriding royalty or production payments is the assignor reserving herein? (See Item 4 of General Instructions; specify percentage.) **None**

b. What overriding royalties or production payments, if any, were previously reserved or conveyed? (Percentage only) **None**

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17½ percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this **27** day of **June**, 1972

W. H. Anderson
(Assignor's Signature)

P.O. Box 281
(Assignor's Address)

Mary F. Anderson
wife of assignor

Salt Lake City, Utah 84110
(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

THE UNITED STATES OF AMERICA

Assignment approved as to the lands described below:

Assignment approved effective **AUG 1 1972**

By E. L. L. L.
(Authorized Officer)

Acting
Chief, Division of Technical Services

JUL 18 1972

(Title) (Date)

PART II

ASSIGNEE'S REQUEST FOR APPROVAL OF ASSIGNMENT

A. ASSIGNEE CERTIFIES THAT

1. Assignee is over 21 years of age
2. Assignee is a citizen of the United States
3. Assignee is ☐ Individual ☐ Municipality ☐ Association ☒ Corporation
4. Assignee is the sole party in interest in this assignment (*information as to interests of other parties in this assignment must be furnished as prescribed in Specific Instructions*)
5. Filing fee of \$10 is attached (*see Item 2 of General Instructions*)
6. Assignee's interests, direct and indirect, do not exceed 200,000 acres in oil and gas options, or 246,080 chargeable acres in options and leases in the same state, or 300,000 chargeable acres in leases and options in each leasing district in Alaska.

B. ASSIGNEE AGREES to be bound by the terms and provisions of the lease described here, provided the assignment is approved by the Authorized Officer of the Bureau of Land Management.

C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 26 day of June, 1972

ARI-MEX Oil & Exploration, Inc.

By [Signature]
(Assignee's Signature)

P.O. Box 1128
Long Beach, California 90801

(Address, include zip code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

GENERAL INSTRUCTIONS

1. *Use of form* - Use only for assignment of record title interest in oil and gas leases. *Do not use for assignments of working or royalty interests, operating agreements, or subleases.* An assignment of record title may only cover lands in one lease. If more than one assignment is made out of a lease, file a separate instrument of transfer with each assignment.
2. *Filing and number of copies* - File three (3) completed and manually signed copies in appropriate land office. A \$10 nonrefundable filing fee *must* accompany assignment. File assignment within ninety (90) days *after* date of final execution.
3. *Effective date of assignment* - Assignment, if approved, takes effect on the first day of the month following the date of filing of *all* required papers.
4. *Overriding royalties or payments out of production* - Describe in an accompanying statement any overriding royalties or payments out of production created by assignment but not set out therein. If payments out of production are reserved by assignor, outline in detail the amount, method of payment, and other pertinent terms.
5. *Effect of Assignment* - Approval of assignment of a definitely described portion of the leased lands creates separate leases. Assignee, upon approval of assignment, becomes lessee of the Government as to the assigned interest and is responsible for complying with *all* lease terms and conditions, including timely payment of annual rental and maintenance of any required bond; *except* in the case of assignment of undivided interests, royalties, and operating agreements.
6. A copy of the executed lease, out of which this assignment is made, should be made available to assignee by assignor.

SPECIFIC INSTRUCTIONS

(Items not specified are self-explanatory)

PART I

Item 1 - Type or print plainly, in ink, between and below heavy dots, the assignee's full name and mailing address, including zip code.

PART II

A. Certification of assignee

3. If assignee is an association or partnership, assignee *must* furnish a certified copy of its articles of association or partnership, with a statement that (a) it is authorized to hold oil and gas leases; (b) that the person executing the assignment is authorized to act on behalf of the organization in such matters; and (c) names and addresses of members controlling more than 10% interest.

If assignee is a corporation, it *must* submit a statement containing the following information: (a) State in which it was incorporated; (b) that it is authorized to hold oil and gas leases; (c) that officer executing assignment is authorized to act on behalf of the corporation in such matters; and (d) percentage of voting stock and percentage of *all* stock owned by

aliens or those having addresses outside the United States. If 10 percent or more of the stock of any class is owned or controlled by or on behalf of any one stockholder, a separate showing of his citizenship and holdings *must* be furnished.

If evidence of qualifications and ownership has previously been furnished as required by the above, reference by serial number of record in which it was filed together with a statement as to any amendments. Qualifications of assignee *must* be in full compliance with the regulations (43 CFR 3102).

4. *Statement of interests* - Assignee *must* indicate whether or not he is the sole party in interest in the assignment; if not, assignee *must* submit, at time assignment is filed, a signed statement giving the names of other interested parties. If there are other parties interested in the assignment, a separate statement *must* be signed by each and assignee giving the nature and extent of the interest of each, the nature of agreement between them, if oral; and a copy of agreement, if written. *All* interested parties *must* furnish evidence of their qualifications to hold such lease interests. Separate statements and written agreements, if any, *must* be filed no later than (15) days after filing assignment.

May 19, 1981

Thiistway Company
P. O. Box 1367
Farmington, New Mexico 87401

Re: Well No. Clayton #1
Sec. 24, T. 20S, R. 23E, NW SE
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 102-16B, dated September 26, 1979.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer
Office: 533-5771
Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-019-30800.

Sincerely,

DIVISION OF OIL, GAS, AND MINING

Cleon B. Feight
Director

CBF/ko
cc: USGS

NOTICE OF SPUD

Thriftway

Caller: Newt Burkhalter

Phone: _____

Well Number: Clayton #1

Location: NWSE 24-205-23E

County: Grand State: Utah

Lease Number: U-15049

Lease Expiration Date: _____

Unit Name (If Applicable): _____

Date & Time Spudded: 5-24-81 10:00 A.M.

Dry Hole Spudder/Rotary: _____

Details of Spud (Hole, Casing, Cement, etc.) 9 7/8" hole, set
7" surface csg @ 128' 10" 10" hole
@ 1440'

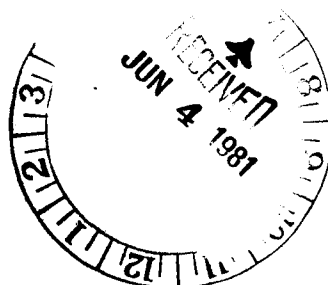
Rotary Rig Name & Number: _____

Approximate Date Rotary Moves In: _____

FOLLOW WITH SUNDRY NOTICE

Call Received By: E. W. Guppm

Date: 7:00 A.M. 5-30-81



FILE IN TRIPLICATE
FORM OGC-8-X

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

RECEIVED
AUG 28 1981
DIVISION OF
OIL, GAS & MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Clayton #1 - Federal
Operator Thriftway Company Address Post Office Box 1367
Farmington, NM 87401
Contractor Layton Exploration Address Post Office Box 765
Grand Junction, CO 81502
Location NE 1/4 SE 1/4 Sec. 24 T. 20S R. 23E County Grand

Water Sands

	<u>Depth</u>		<u>Volume</u>	<u>Quality</u>
	From	To	Flow Rate or Head	Fresh or Salty
1.	952'	1,090'	No Test	Fresh
2.	<u>Water was cased and cemented off.</u>			
3.				
4.				
5.				

(Continue of reverse side if necessary)

Formation Tops

Remarks

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

SUBMIT IN DUPLICATE*

STATE OF UTAH

(See other instructions on reverse side)

OIL & GAS CONSERVATION COMMISSION

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.

U-15049

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Federal

9. WELL NO.

Clayton #1 (Fed. 12-1)

10. FIELD AND POOL, OR WILDCAT

Wildcat Cisco Field

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 24, T20S, R23E

1a. TYPE OF WELL:

OIL WELL ☒GAS WELL ☐DRY ☐

Other _____

b. TYPE OF COMPLETION:

NEW WELL ☒WORK OVER ☐DEEP-EN ☐PLUG BACK ☐DIFF. RESVR. ☐

Other _____

2. NAME OF OPERATOR

Thriftway Company

3. ADDRESS OF OPERATOR

Post Office Box 1367, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 2040' FSL & 1987' FEL

NWSE

At top prod. interval reported below

At total depth 1444'

14. PERMIT NO.

43-019-30800

DATE ISSUED

5-19-81

12. COUNTY OR PARISH

Grand

13. STATE

Utah

15. DATE SPUDDED

5-24-81

16. DATE T.D. REACHED

5-29-81

17. DATE COMPL. (Ready to prod.)

5-31-81

18. ELEVATIONS (OF. RKB, RT, GR, ETC.)*

4626 GR

19. ELEV. CASINGHEAD

6'

20. TOTAL DEPTH, MD & TVD

1444'

21. PLUG, BACK T.D., MD & TVD

N/A

22. IF MULTIPLE COMPL., HOW MANY*

N/A

23. INTERVALS DRILLED BY

→

ROTARY TOOLS

Rotary

CABLE TOOLS

N/A

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

Morrison 1320 - 1340

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

Compensated Density Neutron Log & Dual Induction Guard Log

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20 lb.	120'	8 1/4	120' to surface	
4 1/2"	10.5 lb.	1422'	6 1/2	TD to surface	
				92 bags tropical heavy cement	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

one shot every two feet
1320' to 1340' - 10 shots

32. ACID, SHOT, FRAC, OR OTHER PERFORATION METHOD

DEPTH INTERVAL (MD)

n/a

AND KIND OF MATERIAL USED

02 1001

33.*

PRODUCTION

DATE FIRST PRODUCTION

6-6-81

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)

Pumping - 1 1/2" top hole down pump

DATE OF TEST

6-6-81

HOURS TESTED

24

CHOKE SIZE

N/A

PROD'N. FOR TEST PERIOD

→

OIL—BSL.

128 BOD

GAS—MCF.

5 met.

WATER—BSL.

-0-

GAS-OIL RATIO

37

FLOW, TUBING PRESS.

N/A

CASING PRESSURE

60 lbs.

CALCULATED 24-HOUR RATE

→

OIL—BSL.

128

GAS—MCF.

5

WATER—BSL.

-0-

OIL GRAVITY-API (CORR.)

37

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Used for fuel.

TEST WITNESSED BY

Pete Staley

35. LIST OF ATTACHMENTS

None

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

J. S. Stark
F. L. Stark

TITLE

Executive Vice President

DATE

9-29-81

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See Instructions on Items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), of annotation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see Item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in Item 22, and in Item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in Item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for Items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:				38. GEOLOGIC MARKERS	
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES					
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH
Mancos	0	950'	Shale	Dakota	1050'
Dakota	950'	1310'	Sand and Shale Interbedder	Morrison	1310'
Morrison	1310'	1350'	Sand and Shale		

RECEIVED

MAY 23 1984

DIVISION OF OIL
GAS & MINING

Clayton Investment Company

Well Confirmation List

<u>API NUMBER</u>	<u>WELL NAME</u>	<u>LOCATION</u>	<u>PROD. ZONE</u>
43-019-30920	JP#1	NWNW Sec 22 T20S R24E	DKTA *
43-019-30906	Kathy #1	NWSE Sec 24 T20S R23E	MRSN **
43-019-30908	Nicol #1	SWNE Sec 24 T20S R23E	DKTA
43-019-30800	Clayton #1	NWSE Sec 24 T20S R23E	MRSN
43-019-30907	Hope #2	NWNE Sec 24 T20S R23E	MRSN

* This well is temporarily abandoned.

** Volume insufficient to set up sales. Small amount of gas used
as fuel on another lease.

Thriftway Company



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dianne R. Nielson, Ph.D., Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

June 7, 1984

Clayton Investment
710 East 20th Street
Farmington, New Mexico 87401

Gentlemen:

SUBJECT: OPERATOR NAME CHANGE

According to reports received from your company, this well is now operated by you. We have not received the proper information stating that your company is now operator of this well. If you have assumed operations on this well, it is your responsibility as current operator to submit those changes to this office.

Please send in those changes stated on a "Sundry Notice", form OGC-1b. We have enclosed one for your convenience. If your company has not taken over responsibility of this well, please explain why it was added to the attached copy of an inquiry made to your office.

We will be happy to acknowledge receipt of your response to this notice if you will include an extra copy of the transmittal letter with a place for our signature and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a second notice from our agency.

Thank you for your prompt attention to the above matter.

Respectfully,

Claudia L. Jones
Well Records Specialist

CLJ

Enclosure

CC; Dianne R. Nielson
Ronald J. Firth
John R. Baza
File

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-15049
2. NAME OF OPERATOR Clayton Investment Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 710 E. 20th, Farmington, NM 87401		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 2040' FSL 1987' FEL		8. FARM OR LEASE NAME
14. PERMIT NO. 43-019-30800		9. WELL NO. Clayton #1
15. ELEVATIONS (Show whether DF, RT, OR, etc.) 4626GR		10. FIELD AND POOL, OR WILDCAT Cisco
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 24, T20S, R23E
		12. COUNTY OR PARISH Grand
		13. STATE UT

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/> Change of Operator	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

See attached copy showing change of operator from Thriftway Company to Clayton Investment Company.

RECEIVED

JUN 19 1984

DIVISION OF O.
GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED J. S. StarkTITLE Production ManagerDATE 6-12-84

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:

MECHEAL JACK
CLAYTON INVESTMENT
710 E 20TH ST
FARMINGTON NM 87401

~~UTAH ACCOUNT NUMBER:~~ N1660

REPORT PERIOD (MONTH/YEAR): 6 / 95

~~AMENDED~~ REPORT ☐ (Highlight Changes)

DIV. OF OIL, GAS & MINING

[illegible]

COMMENTS: FINAL REPORT. As of July 1, 1995 these wells now belong to S.O.A.L., LLC; P.O. Box 2165;
Farmington, NM 87499-2165. The operator is E. M. Sussex. His telephone number (505) 327-9455.

hereby certify that this report is true and complete to the best of my knowledge.

Date: August 22, 1995

Name and Signature: Mecheal Jack

Telephone Number: (505) 326-5571

AUG-7-95 MON 10:12

MOAB D

FAX NO. 80125 U6

P. 02

U-15049 #1 Clayton

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

55 AUG 17 PM 2:35

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.

U17616 & U15049

6. If Indian, Allottee or Tribe Name

N.A.

7. If Unit or CA, Agreement Designation

8. Well Name and No.

all wells on leases

9. API Well No.

10. Field and Pool, or Exploratory Area

CISCO

11. County or Parish, State

Grand, Utah

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

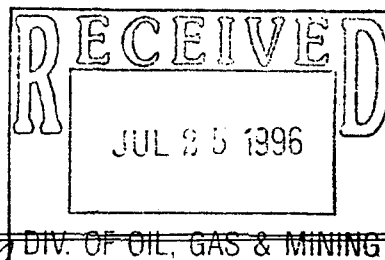
TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Change of Operator
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

CHANGE OF OPERATOR

S.O.A.L. is taking over operations of the above captioned well.Edm Sussex is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.Bond coverage for this well is provided by BLM Bond No. Applied For.

I hereby certify that the foregoing is true and correct

Signed Edm SussexTitle OpDate 8-7-95

(This space for Federal or State office use)

Assistant District Manager
Resource ManagementApproved by B. O. O. P.
Conditions of approval, if any:

Title

Date 5/3/96

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

S.O.A.L. LLC
Well No. Arimex Nicole 1
Arimex Kathy 1
Federal Clayton 1
NWSE Sec. 24, T. 20 S., R. 23 E.
Grand County, Utah
Lease UTU15049

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that S.O.A.L. LLC is considered to be the operator of the above wells and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for these wells are provided by UT1039 (Principle - S.O.A.L LLC) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

S. O. A. L.

3. Address and Telephone No.

P.O. Box 2165 Farmington, N.H. 03750-2165
87499 585 - 327-9455

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 29 T20 R23 E

FORM APPROVED
Budget Bureau No. 1004 0134
Expires: March 31, 1993

5. Lease Designation and Serial No.

215049

6. If Indian, Allottee or Tribe Name

N. A.

7. If Unit or C.A. Agreement Designation

8. Well Name and No.

Clayton #1

9. API Well No.

4301930800 0051

10. Field and Prod. or Exploratory Area

CISCO

11. County or Parish, State

Grand

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☐
- Other

- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form 1)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and numbered and true vertical depths for all markers and zones pertinent to this work.)*

S. O. A. L. LLC

Took over this well as of July 1, 1995

14. I hereby certify that the foregoing is true and correct

Signed

E. M. Sussex

Title

Op

Date

9-25-95

(This space for Federal or State office use)

Approved by

Conditions of Approval, if any:

Title

Date

Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1	LEC 7-PLK	<input checked="" type="checkbox"/>
2	LWP 8-SJ	<input checked="" type="checkbox"/>
3	DTS 9-FILE	<input checked="" type="checkbox"/>
4	VLD	<input checked="" type="checkbox"/>
5	RJF	<input checked="" type="checkbox"/>
6	LWP	<input checked="" type="checkbox"/>

Attach all documentation received by the division regarding this change.
 Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 7-1-95)

TO (new operator) S.O.A.L., LLC
 (address) PO BOX 2165
FARMINGTON NM 87499-2165
E M SUSSEX
 phone (505) 325-2604
 account no. N 5825 (10-5-95)

FROM (former operator) CLAYTON INVESTMENT
 (address) 710 E 20TH ST
FARMINGTON NM 87401
MECHEAL JACK
 phone (505) 326-5571
 account no. N1660

Well(s) (attach additional page if needed):

Name: <u>HOPE #2/MRSN</u>	API: <u>43-019-30907</u>	Entity: <u>640</u>	Sec <u>24</u> Twp <u>20S</u> Rng <u>23E</u>	Lease Type: <u>U17610</u>
Name: <u>KATHY #1/MRSN</u>	API: <u>43-019-30906</u>	Entity: <u>8183</u>	Sec <u>24</u> Twp <u>20S</u> Rng <u>23E</u>	Lease Type: <u>U15049</u>
Name: <u>NICOL #1/DKTA</u>	API: <u>43-019-30908</u>	Entity: <u>8184</u>	Sec <u>24</u> Twp <u>20S</u> Rng <u>23E</u>	Lease Type: <u>U15049</u>
*Name: <u>CLAYTON #1/MRSN</u>	API: <u>43-019-30800</u>	Entity: <u>8186</u>	Sec <u>24</u> Twp <u>20S</u> Rng <u>23E</u>	Lease Type: <u>U15049</u>
Name: <u>HOPE #4/TA</u>	API: <u>43-019-30909</u>	Entity: <u>11170</u>	Sec <u>24</u> Twp <u>20S</u> Rng <u>23E</u>	Lease Type: <u>U17610</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- 1 Lec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Rec'd 9-7-95)
- 2 Lec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 9-25-95) (Rec'd 9-25-95)
- 3 Lec 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: #009178. (Rec'd 7-19-95)
- 4 Lec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- 5 Lec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (7-25-96)
- 6 Lec 6. Cardex file has been updated for each well listed above. (7-25-96)
- 7 Lec 7. Well file labels have been updated for each well listed above (7-25-96)
- 8 Lec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (7-25-96)
- 9 Lec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- LC 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- N/A 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- N/A 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- LC 2. A copy of this form has been placed in the new and former operators' bond files.
- LC 3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 7/25/96 1996. If yes, division response was made by letter dated 7/25/96 1996.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- N/A 1. (Rule R615-2-10) The former operator/lessee of any **fee lease** well listed above has been notified by letter dated 7/25/96 1996, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- N/A 2. Copies of documents have been sent to State Lands for changes involving **State leases**.

FILMING

- LC 1. All attachments to this form have been microfilmed. Date: August 8 1996.

FILING

- LC 1. Copies of all attachments to this form have been filed in each well file.
- LC 2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

960725 Blm/Mcab Apr. 5-3-96.

Form 3186-5
(November 1983)
(Formerly 9-331)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. <u>U-15049</u>	
2. NAME OF OPERATOR <u>Falcon Energy LLC</u>		6. IF INDIAN, ALLOTTED OR TRIBE NAME	
3. ADDRESS OF OPERATOR <u>510 BO 35760 S. SLC UT 84115</u>		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface <u>20 S 23 E Sec. 24</u> <u>API# 43-019-30800 - 43-019-30906</u> <u>#43-019-30908</u>		8. FARM OR LEASE NAME	
14. PERMIT NO.		9. WELL NO. <u>Chapman 1 Keith & Mich P1</u>	
15. ELEVATIONS (Show whether DF, RT, CR, etc.)		10. FIELD AND FOLD, OR WILDCAT <u>Greeter Casio</u>	
		11. SEC. T, E, N. OR S.E. AND SURVEY OR AREA <u>20 S 23 E Sec 24</u>	
		12. COUNTY OR PARISH <u>Grand</u>	
		13. STATE <u>UT</u>	

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐

FRACTURE TREAT ☐

SHOOT OR ACIDIZE ☐

REPAIR WELL ☐

(Other) ☐

FULL OR ALTER CASING ☐

MULTIPLE COMPLETE ☐

ABANDON* ☐

CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐

FRACTURE TREATMENT ☐

SHOOTING OR ACIDIZING ☐

(Other) ☐

REPAIRING WELL ☐

ALTERING CASING ☐

ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

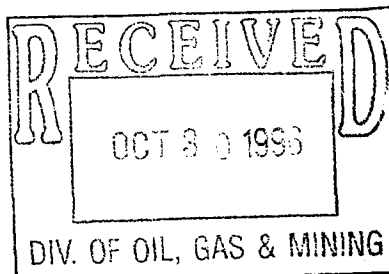
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

CHANGE OF OPERATOR

Falcon Energy LLC is taking over operations of the above captioned well.

Falcon Energy LLC is responsible under the terms and conditions of the lease for operations conducted on the leased lands or portions thereof.

Bond coverage for this well will be provided by BLM Bond No. 46-1049.



RECEIVED
MOAB FIELD OFFICE
BUREAU OF LAND MGMT
1996 OCT 15 PM 1:58

18. I hereby certify that the foregoing is true and correct

SIGNED Wayne O. Stout

TITLE Manager

DATE 10-1-96

(This space for Federal or State office use)

/s/ Brad D. Palmer

Assistant Field Manager,
Resource Management

APPROVED BY

TITLE

DATE OCT 2 1 1996

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

*See Instructions on Reverse Side

Title 16 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Falcon Energy, LLC
Well No. Clayton 1
NWSE Sec. 24, T. 20 S., R. 23 E.
Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Falcon Energy, LLC is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased land.

Bond coverage for this well is provided by BLM Bond UT1049 (Principle - Falcon Energy, LLC) as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator S.O.A.L. E.M. SUSSEX

3. Address and Telephone No. P.O. Box 2165 Farmington, N.M. 87499 505-327-9455

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
2115054 + 2117610

6. If Indian, Allottee or Tribe Name
N.A.

7. If Unit or CA, Agreement Designation

8. Well Name and No. Hope 284

9. API Well No. Christen, Nuebel, Kathy

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Grand, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Change of operator -
I have sold my interest to Falcon Energy
L.L.C. as per contract dated 10-1-96.
They will now be operators of record
as of 10-1-96 of leases # 15054 + 2117610.

RECEIVED
OCT 15 PM 1:59
BUREAU OF LAND MGMT
DEPT OF THE INTERIOR

14. I hereby certify that the foregoing is true and correct

Signed E.M. Sussex

Title Op & owner

Date 10-1-96

(This space for Federal or State office use)
Approved by
Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

OPERATOR CHANGE WORKSHEET

Attach all documentation received by the division regarding this change.

Initial each listed item when completed. Write N/A if item is not applicable.

1-LEE	6-LBC
2-GLH	7-KDR
3-DPS	8-SJ
4-VLD	9-FILE
5-RJF	

☒ Change of Operator (well sold)☐ Designation of Agent☐ Designation of Operator☐ Operator Name Change OnlyThe operator of the well(s) listed below has changed, effective: 10-01-96TO: (new operator) FALCON ENERGY LLC(address) 510 W 3560 SSALT LAKE CITY UT 84115DOUG POWELSONPhone: (801) 269-0701Account no. N6710FROM: (old operator) S.O.A.L., LLC(address) PO BOX 2165FARMINGTON NM 87499-2165E M SUSSEXPhone: (505) 327-9455Account no. N5825

WELL(S) attach additional page if needed:

Name: <u>CLAYTON #1/MRSN</u>	API: <u>43-019-30800</u>	Entity: <u>8186</u>	S	24	T	20S	R	23E	Lease: <u>U15049</u>
Name: <u>KATHY #1/MRSN</u>	API: <u>43-019-30906</u>	Entity: <u>8183</u>	S	24	T	20S	R	23E	Lease: <u>U15049</u>
Name: <u>NICOL #1/DKTA</u>	API: <u>43-019-30908</u>	Entity: <u>8184</u>	S	24	T	20S	R	23E	Lease: <u>U15049</u>
Name: <u>HOPE #4/TA</u>	API: <u>43-019-30909</u>	Entity: <u>11170</u>	S	24	T	20S	R	23E	Lease: <u>U17610</u>
Name: <u>HOPE #2/MRSN</u>	API: <u>43-019-30907</u>	Entity: <u>640</u>	S	24	T	20S	R	23E	Lease: <u>U17610</u>
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____
Name: _____	API: _____	Entity: _____	S	_____	T	_____	R	_____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

- Lee 1. (r649-8-10) Sundry or other legal documentation has been received from the FORMER operator (attach to this form). *(Reg. 10-30-96) (Rec'd 11-5-96)*
- Lee 2. (r649-8-10) Sundry or other legal documentation has been received from the NEW operator (Attach to this form). *(Rec'd 10-30-96)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? (yes/no) ____ If yes, show company file number: _____
- Lee 4. FOR INDIAN AND FEDERAL WELLS ONLY. The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
- Lee 5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. *(11-6-96)*
- Lee 6. Cardex file has been updated for each well listed above. *(11-6-96)*
- Lee 7. Well file labels have been updated for each well listed above. *(11-6-96)*
- Lee 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(11-6-96)*
- Lee 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- Y/c 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A Y/c 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operator's bond files.
3. The FORMER operator has requested a release of liability from their bond (yes/no) , as of today's date . If yes, division response was made to this request by letter dated .

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A Y/c 1. Copies of documents have been sent on to at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.

FILMING

- Y/c 1. All attachments to this form have been microfilmed. Today's date: 12-30-96.

FILING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form, and the original attachments are now being filed in the Operator Change file.

COMMENTS

9/6/030 Blm / Aprv. 10-24-96.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☒ GAS ☐ OTHER:

2. Name of Operator: S.O.A.L. LLC

3. Address and Telephone Number: P.O. Box 2165 Farmington, N.M. 87499

4. Location of Well

Footages:

OO, Sec., T., R., M.: 24 20.08. 23.0E NWSE

5. Lease Designation and Serial Number:

U.T.U. 15049

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

Clayton #1

9. API Well Number:

43-019-30800

10. Field and Pool, or Wildcat:

Greater Cisco

County:

Grand

State:

Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandon ☐ New Construction
☐ Repair Casing ☐ Pull or Alter Casing
☐ Change of Plans ☐ Recomplete
☐ Convert to Injection ☐ Reperforate
☐ Fracture Treat or Acidize ☐ Vent or Flare
☐ Multiple Completion ☐ Water Shut-Off
☐ Other Operator Change

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandon ☐ New Construction
☐ Repair Casing ☐ Pull or Alter Casing
☐ Change of Plans ☐ Reperforate
☐ Convert to Injection ☐ Vent or Flare
☐ Fracture Treat or Acidize ☐ Water Shut-Off
☐ Other _____

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Soal LLC is taking back as operator,
from Falcon Energy LLC the Clayton #1
Oil well that is on a 10 acre spacing.
Effective 6-1-98

13.

Name & Signature:

Ed Sussex, S.O.A.L. Title: Pres.

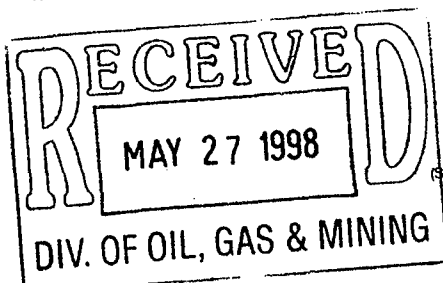
Date:

5-27-98

(This space for State use only)

505-327-9455 O.

505-325-5174 H.



(See Instructions on Reverse Side)

FORM 8

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to repair plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER: <input type="checkbox"/>	5. Lease Designation and Serial Number: UTH 15049
2. Name of Operator: Falcon Energy, LLC	6. If Water, Alkaline or Tubs Name:
3. Address and Telephone Number: 510 W. 3580 S. Salt Lake City, Utah 84115	7. UOI Agreement Name:
4. Location of Well: Footage: CO, Sec., T., R., M.:	8. Well Name and Number: Chapton #1
	9. API Well Number: 43-109-30800
	10. Field and Pool, or Wildcat: Greater Cisco
	County: Grand
	State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(check in Duplicate)

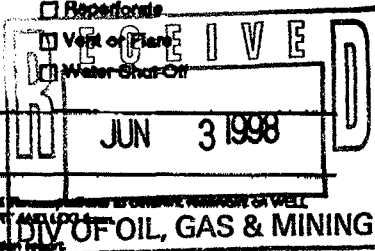
- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other: <u>Change of Operator</u> | |

Approximate date work will start: _____

SUBSEQUENT REPORT
(submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other: _____ | |

Date of work completion: _____

Report results of Multiple Completions and Recompletions to Division of Oil and Gas
COMPLETION OR RECOMPLETION REPORT AND LOGS
• Shall be accompanied by a Current verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, show subsurface locations and measured and true vertical depths for all sections and zones pertinent to this work.)

Falcon Energy, LLC has sold to S.O.A.L., LLC their interest in the Chapton #1 oil well. The borehole is the center of the 10 acres sold to S.O.A.L., LLC - Please transfer the operating rights to this well to S.O.A.L., LLC effective 6/1/98

13. Name & Signature: Roy L. Bowler Title: Mgr. Date: 6/1/98

(This space for State use only)

(100)

(See instructions on Reverse Side)

FALCON ENERGY, L.L.C.

510 West 3560 South
Salt Lake City, Utah 84115
(801) 269-0701 FAX (801) 269-0761

DATE: 6/4/98

TO: Lisha Cordova

FAX NO. 359-3940

COMPANY/DEPARTMENT: Div. Oil, Gas, + Mining

FROM: Doug Fowleson / Falcon Energy

NUMBER OF PAGES: 2 (including this cover sheet)

MESSAGE: Lisha - Per our discussion
here is the Change of Operator notice.

Doug Fowleson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator *S.O.A.L.*

3a. Address *P.O. Box 2165 Birmingham, AL 35202* 3b. Phone No. (include area code) *874 505-327-9455*

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
24 20-05 33.0E NWSE

5. Lease Serial No. *U.T.U. 15049*

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No. *Clayton #1*

9. API Well No. *43-019-30800*

10. Field and Pool, or Exploratory Area *Greater Cisco*

11. County or Parish, State *Grand Utah*

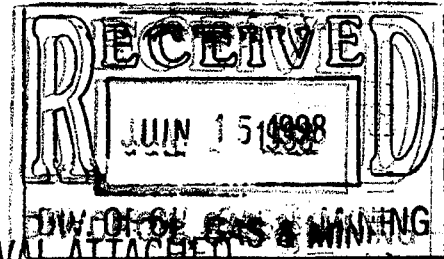
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<i>Operator Change</i>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Soal LLC is taking back as operator from Falcon Energy LLC, the Clayton #1 oil well that is on a 10 acre spacing.

Effective 6-1-98



CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Title *President*

Signature *Emm J. Sussner*

Date *5-28-98*

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *1st William C. Stringer*

Assistant Field Manager

Title *Resource Management*

Date *JUN 10 1998*

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

S.O.A.L., LLC
Well No. Clayton #1
NWSE Sec. 24, T. 20 S., R. 23 E.
Grand County, Utah
Lease UTU15049

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that S.O.A.L., LLC. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased land.

Bond coverage for this well is provided by BLM Bond UT1099 (Principle - S.O.A.L., LLC) as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

OPERATOR CHANGE WORKSHEET

Attach all documentation received by the division regarding this change.

Initial each listed item when completed. Write N/A if item is not applicable.

Routing	
1-DEC	6-DEC
2-GLT	7-KASL
3-DAS	8-SI
4-VLD	9-FILE
5-JRB	

☒ Change of Operator (well sold)☐ Designation of Agent☐ Designation of Operator☐ Operator Name Change OnlyThe operator of the well(s) listed below has changed, effective: 6-1-98

TO: (new operator) S.O.A.L., LLC
 (address) PO BOX 2165
FARMINGTON NM 87499-2165
E. M. SUSSEX
 Phone: (505) 327-9455
 Account no. N5825

FROM: (old operator) FALCON ENERGY LLC
 (address) 510 W 3560 S
SALT LAKE CITY UT 84115
DOUG POWELSON
 Phone: (801) 269-0701
 Account no. N6710

WELL(S) attach additional page if needed:

Name:	CLAYTON 1/MRSN	API:	43-019-30800	Entity:	8186	S	24	T	20S	R	23E	Lease:	U15049
Name:		API:		Entity:		S		T		R		Lease:	
Name:		API:		Entity:		S		T		R		Lease:	
Name:		API:		Entity:		S		T		R		Lease:	
Name:		API:		Entity:		S		T		R		Lease:	
Name:		API:		Entity:		S		T		R		Lease:	
Name:		API:		Entity:		S		T		R		Lease:	

OPERATOR CHANGE DOCUMENTATION

1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Reg. 5-29-98) (Rec'd 6-3-98)*
2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 5-27-98)*
3. The **Department of Commerce** has been contacted if the new operator above is not currently operating any wells in Utah. Is the company **registered with the state?** (yes/no) (yes) If yes, show company file number: #LC009178. (c# 7-19-95)
4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of **Federal** and **Indian** well operator changes should ordinarily take place prior to the division's approval, and before the completion of **steps 5 through 9** below.
5. Changes have been entered in the **Oil and Gas Information System** (3270) for each well listed above. *(6-16-98)*
6. **Cardex** file has been updated for each well listed above. *(6-16-98)*
7. Well **file labels** have been updated for each well listed above. *(6-16-98)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" **memo** for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(6-16-98)*
9. A folder has been set up for the **Operator Change file**, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- lec 1. (r649-8-7) **Entity assignments have been reviewed** for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been **notified** through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A/lec 1. (r649-3-1) The **NEW** operator of any fee lease well listed above has furnished a proper bond.
2. A **copy of this form** has been placed in the new and former operator's bond files.
3. The **FORMER** operator has requested a release of liability from their bond (yes/no) , as of today's date . If yes, division response was made to this request by letter dated .

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A/lec 1. Copies of documents have been sent on to at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- N/A/lec 2. (r649-2-10) The former operator of any fee lease wells listed above has been contacted and informed by letter dated 19 , of their responsibility to notify all interest owners of this change.

FILMING

- VB 1. All attachments to this form have been **microfilmed**. Today's date: 9.10.98.

FILING

1. **Copies** of all attachments to this form have been filed in each **well file**.
2. The **original of this form**, and the **original attachments** are now being filed in the Operator Change file.

COMMENTS

9806116 BLM/Mcab Aprv. 6-10-98

